

Rent-to-buy

Affordable Housing Scheme

*'Your pathway to
home ownership'*



Your pathway to home ownership

Have you wanted to own your own apartment and enjoy the lifestyle of the Bowden community, but felt the price was out of reach?

Perhaps your bank manager told you that while you're not eligible for a home loan now, you should be able to secure a loan in the next five years?

However, in five years' time, the real estate market may increase meaning that you're still not able to afford a home.

That's where Oryx and AnglicareSA can make a difference for you.



Oryx, AnglicareSA and participating developers at Bowden are offering an innovative affordable rent to buy scheme.

If you are eligible the Oryx and AnglicareSA Rent to Buy Scheme at Bowden enables you with the opportunity to secure an 'Option to Purchase' for an apartment in 2021, locked in at today's market price. In the meantime you can rent your apartment at 74.99% of market rent and enjoy living in it.

This is a limited and exclusive offering of a two bedroom apartment, in an exciting city fringe location.



Eligibility

To participate in the scheme, you will need to meet the eligibility criteria below:

1. You, or someone in your household, are genuinely employed.
2. Your combined household gross income does not exceed \$75,000 per annum for an individual or \$95,000 per annum for a household (two or more individuals).
3. You, or anyone in the household, do not currently own another home.
4. The apartment will be your principal place of residence for five years of tenancy occupation.
5. You can demonstrate that you or your combined household have a reasonable likelihood of securing a loan in five years' time.

What is AnglicareSA's role?

AnglicareSA is a not for profit organisation which has secured 10 off-the-plan apartments from the participating developer, in this location.

AnglicareSA will:

- Enter into an Option to Purchase for an apartment with you, locked in at the 2015 price level.
- Be your landlord for five years following construction.
- Rent the dwelling to you at 74.99% of its market rental and pay select building outgoings for you.

It is then your choice if you wish to purchase the apartment in 2021.



The Bowden Project

The project is located within the suburb of Bowden on the former Clipsal site and offers city-fringe living on the edge of the parklands. This new apartment building is located within the initial stages of a major regeneration project and will provide access to public transport, open space, local shops and an entertainment precinct.

The Oryx and AnglicareSA Rent-to-Buy scheme is your chance to be part of this community.



What are the Details of the Scheme?

- The apartments are all two bedroom dwellings with either a secure basement car park or a scooter park, on a community title.
- You can secure an Option to Purchase an apartment from AnglicareSA off the plan at its 2015 price and ultimately, you decide if you wish to settle in 2021.
- You need to provide a \$10,000 option fee upon signing the Option Agreement.
- On practical completion of your apartment in 2016, you will rent your apartment from Anglicare for five years at 74.99% of market rent, indexed at CPI.
- Building outgoings costs including body corporate fees, management, maintenance, Council rates, SA Water base rates etc, will be paid by AnglicareSA for the five years of the tenancy.

In 5 years you can either:

- A. Complete the purchase at the agreed 2015 price or,
- B. Not buy the home and get \$5,000 of your \$10,000 option fee back. Your affordable rental tenancy will then end. AnglicareSA will retain \$5,000 of the option fee to assist in covering its holding costs.

Example 1

Cam and Jen have fallen in love with a two bedroom apartment at Bowden worth \$400,000.

In 2015, AnglicareSA sell Cam and Jen an Option to Purchase for an apartment, for \$400,000 in 2021 (five years after the apartment is built) and they pay a nominal upfront option fee of \$10,000.

The apartment has a rental value of \$400 per week in 2016, but AnglicareSA will rent the apartment to Cam and Jen for only \$299 per week and pay for all building outgoings. Cam and Jen would save in excess of \$26,000 in rental payments over the five years.

In 2021, Cam and Jen have the apartment valued and find out it is worth \$500,000. They have saved a deposit and can get a bank loan to purchase their apartment for \$400,000. In 2021, they are the proud owners of their own apartment and already have \$100,000 in equity!

Example 2

Similarly, Matt and Kiersten enter the scheme under the same arrangements as Cam and Jen.

In 2021, Matt and Kiersten cannot or do not wish to purchase their apartment so AnglicareSA returns \$5,000 of the \$10,000 option fee. Matt and Kiersten will unfortunately need to find alternative accommodation as their tenancy will end, but AnglicareSA will do all things reasonable to assist them.

Where's the Catch?

There's no catch - what you see is what you get - a once in a lifetime kick start to home ownership.

Application Process

There are four steps to the scheme at Bowden.

Step 1: Eligibility

Register online at:
www.oryxproperty.com.au
and confirm your eligibility status.

Step 2: Shortlisting

Based on a time and eligibility response, AnglicareSA will shortlist and interview applicants. Based on a needs assessment AnglicareSA will then select eligible applicants from the shortlist.

Step 3: Selection

If selected as one of the eligible applicants, you will meet the sales agent, Connekt, and be offered one of the apartments.

Step 4: Contract

Signing the Option Agreement and associated documentation means that you are now on your pathway to home ownership!

How do you Register?

Register online at:
www.oryxproperty.com.au

What if we miss out, will there be another Oryx Scheme in the future?

Yes, Oryx propose to expand its scheme to other projects in the near future.

Can I lease out my apartment?

No. This must be your principal place of residence. You also cannot sublease any portion of the apartment.

What if I choose to terminate the Rental Agreement?

If you choose to terminate your tenancy agreement, the Option Agreement will also be terminated and 50% of the option fee will be refunded.

What if I default on the Rental Agreement during the five years?

The rental agreement is AnglicareSA's standard tenancy agreement pursuant to the Residential Tenancies Act. Any default in the Agreement would be dealt with in accordance with the Act. Ultimately, if AnglicareSA elects to terminate the tenancy due to a breach of conditions, the Option Agreement will also be terminated and the option fee may be retained by AnglicareSA in full.

If the market value of the apartment increases, do I have to share the growth with AnglicareSA?

No. If the market value increases from the agreed price over the six years, on settlement of your apartment in 2021, you receive 100% of the benefit.

What if the market value decreases?

This Oryx scheme is structured to give you choice. Towards the end of the affordable rental period, if you think that the apartment is not a good investment, you can end your Option Agreement and half of your option fee will be returned.

Is there any disability specific housing?

The apartments provided as part of this release are not specifically disability compliant however it is anticipated that future projects will seek to provide for such housing. If this is of specific interest please acknowledge in your response.

Who pays the Council rates, State taxes, community corporation fees, insurance, repairs and maintenance etc.?

During the affordable rental period, AnglicareSA pays the building outgoing. Once you settle the property in 2021, then you as owner are responsible for the building outgoing.

What do I need to pay for during the affordable rental period?

You need to pay the affordable rental, water use, electricity and gas, contents insurance and telecommunications cost - the same as any standard rental agreement.

Can I secure an Option Agreement on more than one apartment in this Rent-to-Buy scheme?

No. This also applies to any other future Oryx scheme at Bowden or elsewhere.

What if my income increases over the eligibility level during the affordable rental period?

You are only required to be eligible at the time of entering the Option Agreement. If your income increases thereafter, there is no penalty in this regard.

Are there any other purchase costs or fees?

You will have standard Lands Titles fees, stamp duty, building outgoing adjustments and conveyancing fees if you decide to settle in 2021.

Can I improve my apartment?

Yes, you may with AnglicareSA's approval. However any upgrades are at your risk and are not refundable if you decided not to exercise the Option Agreement or your Option Agreement is terminated (should you default in your tenancy agreement, for example).

Can the apartment be purchased in less than the five year period?

No. Future Oryx schemes may offer various time frames.

When do I have to make a decision to take up the option?

Six months before the end of five year period, you are required to notify AnglicareSA of your intention to exercise the Option Agreement or otherwise. If you elect to settle, then you have three months to demonstrate to AnglicareSA your capacity to secure a loan or other finance to settle the property.

Are there any re-sale restrictions once I own the apartment?

No. Once you have settled, the Oryx scheme enables you to on-sell the apartment as you wish.

Can I assign the settlement to another person at the end of the five years?

No. You need to settle the property.

Can I on-sell my Option Agreement to someone else?

No. If you do not wish to exercise your Option Agreement at any point, AnglicareSA will refund half your option fee and end your tenancy and your option to purchase the apartment.

What level of detail do I need to provide?

If shortlisted, AnglicareSA will require documentation supporting your registration and eligibility. This will include employment evidence (including your income, history and references), rental history (if applicable), evidence you can fund the \$10,000 option fee, evidence of any current debts and a signed statutory declaration (stating that you do not currently own a home, that the apartment will be your principal place of residence and all information provided is correct). You will also need to grant permission for AnglicareSA to make any necessary enquires to validate all this information. Interviews will then be arranged with applicants selected to progress to the next stage.